

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

STACY ERNST <i>et al.</i>)	
)	Case No. 08-C-4370
Plaintiffs,)	
)	Judge Rebecca R. Pallmeyer
v.)	
)	
CITY OF CHICAGO)	
)	
Defendant.)	

**AMENDED JUDGMENT ORDER RELATING TO
PLAINTIFF MICHELLE LAHALIH**

Pursuant to and consistent with the Court’s Memorandum Order and Opinion dated December 21, 2018, ECF No. 790, and the September 19, 2016 Order of the United States Court of Appeals for the Seventh Circuit, the Court vacates the Order entered February 5, 2019, ECF 809, and enters judgment in favor of Michelle Lahalih (“Lalahih”) and against the Defendant City of Chicago (“City”) on her claim of disparate impact and orders as follows:

1. The Court awards Lahalih backpay damages for disparate impact discrimination totaling \$702,167, consisting of \$458,824 in lost earnings, \$179,476 in prejudgment interest, and \$63,867 to neutralize the tax penalty.

2. Within 60 days of the entry of this Order, the City shall pay to Lahalih the amounts set forth in in paragraph 1. The City shall withhold the employee-share of Medicare and Social Security tax from wages and tax payments and shall pay the employer share of Medicare and Social Security taxes. Since Lahalih is not a participant in a City of Chicago Pension Fund, the parties agree that these payments are not exempt from social security as to either Lahalih or the City. The City shall issue the appropriate W-2 for the wage and tax awards, as well an appropriate 1099-Int for the prejudgment interest portion of such award, for 2019.

3. For the reasons stated in the Court's December 21, 2018 Order, the Court awards Ms. Lahalih front pay for the period of January 26, 2019 through April 2, 2025—including the present value of her lost wages and Chicago Fire Department pension, and the additional amount necessary to neutralize the tax penalty of receiving front pay as a lump sum, totaling \$782,833. This front pay award consists of:

- (a) \$111,951 in future lost earnings, and,
- (b) \$670,882 for the loss of her salary-based pension and to neutralize the tax penalty on the loss salary-based pension award.

4. Within 60 days of the entry of this Order, the City shall pay Lahalih the amounts set forth in in paragraph 3. The City shall withhold the employee-share of Medicare and Social Security tax and shall pay the employer share of Medicare and Social Security tax. The City shall issue the appropriate W-2 in 2019 for these payments.

5. This final order resolves Lahalih's claim of disparate impact against the City. Lahalih voluntarily dismisses her claim of disparate treatment against the City, with each side agreeing to bear its own costs relating to that claim. Accordingly, Lahalih's claims of disparate impact and disparate treatment with prejudice. Lahalih's claim for attorneys' fees, costs and expenses, which she has assigned to her counsel, is resolved by separate order.

6. By agreement of the parties, the City's motion to modify or amend the Memorandum Opinion and Order, ECF No. 815, is hereby dismissed as moot. By agreement of the parties, this final order is unappealable and resolves all claims asserted by Michelle Lahalih, except those for attorney's fees, which are resolved by separate order.

7. The Court retains jurisdiction to enforce the terms of this final judgment order.

ENTERED:

A handwritten signature in black ink, appearing to read "Rebecca R. Pallmeyer", written over a horizontal line.

Date: May 2, 2019

Judge Rebecca R. Pallmeyer